BRITISH COLUMBIA
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BC Stats

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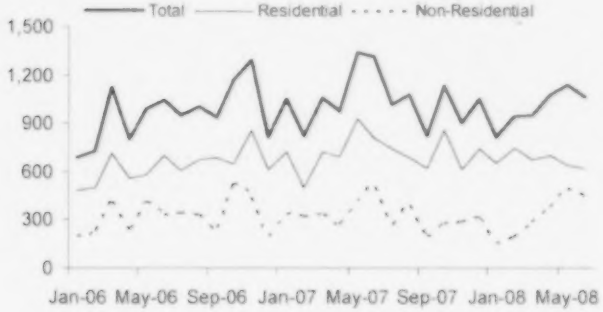
Current Statistics ◆ August 2008

- **The value of building permits issued in British Columbia slipped 6.1% (*seasonally adjusted*) in June, as planned spending on both residential (-3.7%) and non-residential (-9.2%) projects declined.** In Victoria (+28.5%) and Kelowna (+21.2%), the increase in permits was among the most significant in the country. At the same time, Vancouver (-13.4%) and Abbotsford (-16.2%) posted substantial decreases.

  Nationally, permits dropped 5.3% with decreases in other provinces ranging from 7.5% in Alberta to 70.3% in PEI. Four provinces posted increases in July, the most notable of which was Newfoundland (+19.1%). *Data Source: Statistics Canada*

BC Building Permits, by Type (SA) ($millions)



- **British Columbia's unemployment rate dropped 0.1 percentage point to 4.4% (*seasonally adjusted*) in July as the province posted a marginal increase in employment (+2,800 people, or 0.1%), while the size of the labour force was unchanged from June.** Labour market conditions in the province remain robust compared to the rest of the country. Canada shed 55,000 jobs last month, following a 5,000-strong reduction in June. This was the biggest single-month drop since the recession at the beginning of the 1990s.

  The job losses in July were largely localized in Quebec (-29,700) and Ontario (-18,900) but Alberta (-6,800) and Saskatchewan (-4,200) also posted significant employment declines.

  Canada's unemployment rate inched down to 6.1% in July, as job losses were offset by similar declines in the size of the labour force. Although Alberta's jobless rate rose 0.3 percentage points to 3.6% in July, it remained the lowest in the country. Manitoba (3.8%) was the only other province where the jobless rate was lower than in BC. *Data Source: Statistics Canada*

- **After three months of decline, the number of jobs in BC's goods-producing industries increased (+1.7%, *seasonally adjusted*) in July, boosted by a rebound in construction (+2.4%) and more modest growth (+0.8%) in the number of manufacturing jobs.** Employment in forestry, fishing and mining (+2.5%) also picked up after two months of decline. However, there were fewer service sector jobs (-0.3%). Retail and wholesale trade, accounting for one in five service sector jobs, employed 2.6% fewer people in July. Transportation & warehousing (-3.9%) and professional, scientific & technical services (-4.2%) also cut back. However, employment rebounded in finance, insurance & real estate (+7.2%), and information, culture & recreation (+5.7%). *Data Source: Statistics Canada*

- **Sawmills and planing mills in the province produced 28.2% less lumber in June than in the same month last year.** Mills in the Interior slowed their output by 27.2%, while production at coastal mills was down even more (-34.4%). Canadian lumber production slipped 24.3%, due not only to significant downturns in BC, but also in Quebec (-14.5%), Canada's second-biggest lumber producing province. Year-to-date, BC sawmills have accounted for over half the lumber production in Canada, while Quebec made up a further 21%. *Data Source: Statistics Canada*

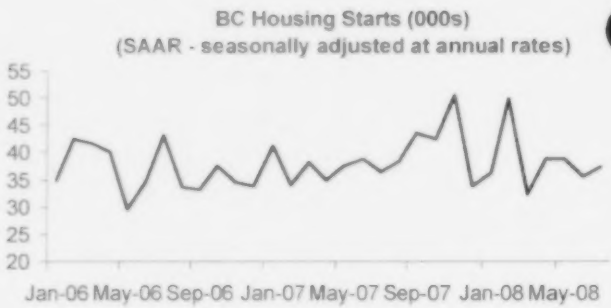
- **Exports of BC products climbed 3.1% *(seasonally adjusted)* in June, marking the fifth monthly increase of 2008.** Energy shipments soared 19.7% and exports of machinery, equipment & automotive (+2.2%) and agriculture & fishing (+0.4%) products were also higher. However, international shipments of forestry (-5.7%) and industrial & consumer (-2.9%) goods slipped. June marked only the second time in the last 20 years in which the value of forestry exports has been surpassed by energy exports.

  Exports to the United States jumped (+12.1%), fuelled mostly by a 54.5% surge in energy products. International shipments to countries other than the US (-5.3%) weakened, ending two months of double-digit increases. Nationally, exports climbed 3.1%. *Data Source: Statistics Canada*

- **BC manufacturing shipments slipped 2.1% *(seasonally adjusted)* in June, mirroring a similar gain in May (+1.9%).** A 5.9% drop in shipments by manufacturers of non-durable goods was largely due to a downturn in the paper industry (-11.2%), where shipments have been see-sawing this year. Food manufacturers posted a decrease of 1.5%, while shipments by producers of beverages & tobacco (-4.7%), plastics & rubber (-2.3%) and chemicals (-2.0%) also slumped.

  In the durables sector, shipments were up 1.2%. The wood industry held steady (+0.6%), marking its fourth consecutive monthly increase. Manufacturers of primary (+3.1%) and fabricated (+8.7%) metals also posted solid gains. However, shipments by producers of transportation equipment (-13.5%) and furniture (-7.1%) fell. At the national level, manufacturing shipments were up 2.1%. *Data Source: Statistics Canada*

- **Housing starts in the province showed continued volatility in July, climbing 4.8% *(seasonally adjusted)*, following a significant decline in the previous month.** Canadian starts plummeted 13.6%, as every province except BC and Alberta (+22.9%) posted decreases. *Data Source: CMHC*



- **British Columbia's year-over-year inflation rate increased 0.3 percentage points to 3.3% in July.** This was only the second time in the last five years that the all-items consumer price index (CPI) has risen by at least three percent.

  Soaring energy prices (+24.0%) fuelled the increase, accounting for just over half (1.7 points) of the 3.3% rise in the overall price level. Prices at the pump climbed 31.5% while the cost of piped gas (+20.7%) and fuel oil & other fuel (+40.3%) also skyrocketed. Although energy costs have been responsible for much of the recent increase in the overall price level, other prices are also starting to rise. Excluding energy products, the overall price level was up 1.6% over July 2007.
  Data Source: Statistics Canada

- **Sales by retailers in the province were up for the second month in a row (+1.3%, *seasonally adjusted*) in June as higher prices helped drive the value of sales up at gas stations and food stores.** Sales also picked up at pharmacies, building & outdoor home supply, clothing and general merchandise stores, but retailers of furniture, furnishings & household electronics did not fare as well. *Data Source: Statistics Canada*

- **Wholesale sales in BC edged 0.4% (*seasonally adjusted*) higher in June following a 0.8% decline in May.** Canadian sales climbed 2.0%, with most provinces posting increases. Only wholesalers in Alberta (-3.4%) and New Brunswick (-0.1%) saw sales receipts slip.
  Data Source: Statistics Canada

MONTHLY STATISTICS

	UNITS	REFERENCE PERIOD	CURRENT			MONTHLY AVERAGE YEAR-TO-DATE	
			LATEST MONTH	% CHANGE FROM LAST MONTH	% CHANGE FROM YEAR AGO	AMOUNT	% CHANGE FROM YEAR AGO
PRICES							
Consumer Price Index-BC	2002=100	Jul '08	114.2	0.5	3.3	111.9	1.9
Consumer Price Index-Vancouver	2002=100	Jul '08	114.7	0.7	3.6	112.3	2.1
Consumer Price Index-Victoria	2002=100	Jul '08	113.3	0.3	2.9	111.4	1.5
Consumer Price Index-Canada	2002=100	Jul '08	115.8	0.3	3.4	113.7	2.3
Consumer Price Index-USA	1982-84=100	Jul '08	220.0	0.5	5.6	215.2	4.4
Industry Price Index-Canada	1997=100	Jun '08	122.7	1.3	5.4	118.9	1.5
LABOUR							
Unemployment Rate (SA)*-BC	Percent	Jul '08	4.4	(4.5)	(4.2)	4.3	(4.2)
Unemployment Rate (SA)-Canada	Percent	Jul '08	6.1	(6.2)	(6.0)	6.0	(6.1)
Unemployment Rate (SA)-USA	Percent	Jul '08	5.7	(5.5)	(4.7)	5.2	(4.5)
Unemployed (SA)-BC	Thousand	Jul '08	107.5	-2.3	9.8	104.6	5.0
Employed (SA)-BC	Thousand	Jul '08	2,324.6	0.1	2.9	2,316.3	2.7
Labour Force (SA)-BC	Thousand	Jul '08	2,432.1	0.0	3.2	2,421.0	2.8
Participation Rate (SA)-BC	Percent	Jul '08	66.7	(66.8)	(66.0)	66.8	(66.2)
Regular EI Benefits Paid	$Million	Jun '08	63.6	9.7	42.5	68.7	9.9
Regular EI Beneficiaries	Persons	Jun '08	36,380	0.2	8.8	44,622	2.2
Average Weekly Wage Rate-BC	Dollars	Jul '08	788.11	0.7	5.9	774.35	4.2
Wages and Salaries-BC (SA)	$Million	Mar '08	7,611.6	0.5	7.1	7,575.4	7.2
Fixed-Weighted Earnings Index-BC	1996=100	Jun '08	120.1	0.5	2.8	120.2	3.7
PRODUCTION - BC							
Lumber-Cubic Metres	Thousand	Jun '08	2,319.4	2.2	-28.1	2,494.3	-24.8
Market Pulp Shipments-Tonnes	Thousand	Jun '08	325	-11.9	-10.5	364	-8.0
Newsprint Shipments-Tonnes	Thousand	Jun '08	58	5.5	-29.3	53	-34.6
Other Paper Shipments-Tonnes	Thousand	Jun '08	157	-3.7	2.6	160	1.3
Coal-Tonnes	Thousand	May '08	2,550.0	3.9	-1.7	2,328.0	10.9
Oil-Cubic Metres	Thousand	Apr '08	114.9	-5.0	-18.6	114.9	-13.9
Natural Gas-Cubic Metres	Million	Feb '08	2,461.2	-14.4	0.6	2,667.8	4.7
Electric Power Generated	GW.h	May '08	4,713.0	-8.1	-15.4	5,653.0	-3.8
Manufacturing Shipments (SA)	$Million	Jun '08	3,378.8	-2.1	-7.6	3,382.0	-7.7
GENERAL							
Housing Starts-All Areas BC(SAAR)**	Thousand	Jul '08	37.3	4.8	2.5	38.4	3.0
Housing Starts-USA (SAAR)**	Thousand	Jul '08	965.0	-11.0	-29.6	1,028.0	-28.9
Building Permits-BC (SA)	$Million	Jun '08	1,065.2	-6.1	-18.8	996.5	-8.8
Residential-BC (SA)	$Million	Jun '08	616.9	-3.7	-23.5	670.6	-7.8
Non-Residential-BC (SA)	$Million	Jun '08	448.3	-9.2	-11.2	326.0	-10.6
Retail Sales (NAICS) (SA)-BC	$Million	Jun '08	4,843.6	1.3	2.9	4,790.8	3.2
Wholesale Trade (NAICS) (SA)-BC	$Million	Jun '08	4,430.5	0.4	-2.7	4,384.2	-1.4
Tourism Room Revenues (SA)-BC	$Thousand	Apr '08	166,743	-0.2	2.1	168,201	3.6
Business Bankruptcies-BC	Number	Jun '08	33	3.1	-25.0	34	-17.9
Consumer Bankruptcies-BC	Number	Jun '08	546	-3.2	-1.3	556	-5.5
Incorporations-BC	Number	May '08	2,508	-8.2	-13.1	2,543	-2.3
Exports Originating in BC (SA)	$Million	Jun '08	2,895.3	3.1	11.4	2,619.9	-4.9

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*SA indicates seasonal adjustment.

**SAAR indicates seasonally adjusted at annual rates.

Brackets () indicate that rates are shown instead of percentage changes.

ANNUAL STATISTICS

	UNITS	YEAR				PERCENT CHANGE		
		2007	2006	2005	2004	2006-2007	2005-2006	2004-2005
PRICES								
Consumer Price Index-BC	2002=100	110.0	108.1	106.3	104.2	1.8	1.7	2.0
Consumer Price Index-Vancouver	2002=100	110.2	108.0	106.0	104.0	2.0	1.9	1.9
Consumer Price Index-Victoria	2002=100	109.8	108.5	106.9	104.6	1.2	1.5	2.2
Consumer Price Index-Canada	2002=100	111.5	109.1	107.0	104.7	2.2	2.0	2.2
Consumer Price Index-USA*	1982-84=100	207.3	201.6	195.3	188.9	2.9	3.2	3.4
Industry Price Index-Canada*	1997=100	115.6	113.8	111.2	109.5	1.6	2.3	1.6
LABOUR								
Unemployment Rate-BC	Percent	4.2	4.8	5.9	7.2	n/a	n/a	n/a
Unemployment Rate-Canada	Percent	6.0	6.3	6.8	7.2	n/a	n/a	n/a
Unemployment Rate-USA*	Percent	4.6	4.6	5.1	5.5	n/a	n/a	n/a
Unemployed-BC	Thousand	100.0	109.6	132.9	159.2	-8.8	-17.5	-16.5
Employed-BC	Thousand	2,266.3	2,195.5	2,130.5	2,062.7	3.2	3.1	3.3
Labour Force-BC	Thousand	2,366.4	2,305.1	2,263.4	2,221.9	2.7	1.8	1.9
Participation Rate-BC	Percent	66.3	65.7	65.6	65.5	n/a	n/a	n/a
Total EI Benefits Paid-BC*	$Million	1,561.6	1,564.2	1,650.3	1,764.0	-0.2	-5.2	-6.4
Regular EI Benefits Paid-BC*	$Million	694.3	723.7	837.4	960.4	-4.1	-13.6	-12.8
Average Weekly Wage Rate-BC	Dollars	747.84	726.02	704.49	686.74	3.0	3.1	2.6
Wages and Salaries-BC*	$Million	86,841.2	81,623.0	74,454.9	69,606.6	6.4	9.6	7.0
Fixed-Weighted Earnings Index-BC*	1996=100	116.8	112.8	109.0	106.2	3.5	3.5	2.6
PRODUCTION - BC								
Lumber-Cubic Metres*	Thousand	36,677.3	41,050.7	41,012.9	39,879.3	-10.7	0.1	2.8
Market Pulp Shipments-Tonnes*	Thousand	4,717	4,736	4,932	4,724	-0.4	-4.0	4.4
Newsprint Shipments-Tonnes*	Thousand	846	1,059	1,076	1,135	-20.1	-1.6	-5.2
Other Paper Shipments-Tonnes*	Thousand	1,917	1,960	1,877	1,841	-2.2	4.4	2.0
Coal-Tonnes*	Thousand	25,941.0	23,161.0	26,718.0	27,313.0	12.0	-13.3	-2.2
Oil-Cubic Metres*	Thousand	1,529.2	1,670.6	1,765.7	2,019.0	-8.5	-5.4	-12.5
Natural Gas-Cubic Metres*	Million	31,658.2	35,291.7	31,892.8	31,201.3	-10.3	10.7	2.2
Electric Power Generated*	GW.h	72,213.3	62,021.4	67,811.2	60,495.6	16.4	-8.5	12.1
Solid Mineral Shipments	$Million	5,671.6	5,990.6	4,924.8	3,674.5	-5.3	21.6	34.0
Farm Cash Receipts**	$Million	2,399.2	2,311.1	2,405.2	2,403.1	3.8	-3.9	0.1
Manufacturing Shipments*	$Million	43,204.0	44,552.5	43,212.5	42,146.9	-3.0	3.1	2.5
GENERAL								
Housing Starts-All Areas BC**	Thousand	39.2	36.4	34.7	32.9	7.6	5.1	5.3
Housing Starts-USA	Thousand	1,355.0	1,800.9	2,068.3	1,955.8	-24.8	-12.9	5.8
Building Permits-BC*	$Million	12,544.7	11,541.5	10,182.9	7,938.7	8.7	13.3	28.3
Residential-BC*	$Million	8,611.7	7,620.7	6,970.8	5,868.9	13.0	9.3	18.8
Non-Residential-BC*	$Million	3,933.0	3,920.8	3,212.1	2,069.8	0.3	22.1	55.2
Retail Sales (NAICS)-BC*	$Million	56,365.4	52,837.1	49,286.3	47,216.6	6.7	7.2	4.4
Wholesale Trade (NAICS)-BC*	$Million	53,547.7	49,328.3	45,447.4	42,364.8	8.6	8.5	7.3
Tourism Room Revenues-BC*	$Thousand	1,967.9	1,815.3	1,688.3	1,591.0	8.4	7.5	6.1
Business Bankruptcies-BC	Number	470	587	786	922	-19.9	-25.3	-14.8
Consumer Bankruptcies-BC	Number	6,650	7,021	8,173	8,378	-5.3	-14.1	-2.4
Incorporations-BC*	Number	30,841	30,667	28,593	25,428	0.6	7.3	12.4
Exports Originating in BC*	$Million	31,580.0	33,468.2	34,167.3	31,007.8	-5.6	-2.0	10.2
Capital Expenditures-BC	$Million	42,086.1	39,912.2	33,254.2	29,664.7	5.4	20.0	12.1
Population-BC (as of July 1)	Number	4,380,256	4,320,255	4,260,246	4,203,807	1.4	1.4	1.3

* derived from monthly figures

**derived from quarterly figures

dash (-) indicates not available

n/a = not applicable

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ECONOMIC PERFORMANCE

GROSS DOMESTIC PRODUCT (GDP)

	YEAR				PERCENT CHANGE		
	2007	2006	2005	2004	2006-07	2005-06	2004-05
BRITISH COLUMBIA (Millions $Cdn) *April 2008*							
Gross Domestic Product at Market Prices	190,214	180,328	169,404	157,365	5.5	6.4	7.7
Real Gross Domestic Product **(chained 2002 $)**	163,200	158,335	153,208	146,629	3.1	3.3	4.5
CANADA (Millions $Cdn) *April 2008*							
Gross Domestic Product at Market Prices	1,531,427	1,446,307	1,375,080	1,290,828	5.9	5.2	6.5
Real GDP at Market Prices **(chained 2002 $)**	1,316,219	1,282,204	1,247,780	1,210,656	2.7	2.8	3.1
UNITED STATES (Billions $US) **							
Gross Domestic Product at Market Prices	13,807.5	13,178.4	12,421.9	11,685.9	4.8	6.1	6.3
Real GDP at Market Prices (chained 2000 $US)	11,523.9	11,294.8	10,989.5	10,675.8	2.0	2.8	2.9

*** US Department of Commerce (actual) July 2008*

INTEREST AND EXCHANGE RATES

(Source: Bank of Canada)

	Aug. 27/08	Aug. 20/08	July 30/08	Aug. 29/07
	PERCENT PER ANNUM			
CANADA				
Prime Business Rate	4.75	4.75	4.75	6.25
Bank Rate	3.25	3.25	3.25	4.75
Marketable Government Bond Rate (over 10 years)	4.02	4.05	4.18	4.44
Conventional Mortgages - 1 Year	6.65	6.65	6.95	7.05
- 5 Years	6.85	6.85	7.15	7.24
UNITED STATES				
Prime Rate	5.00	5.00	5.00	8.25
EXCHANGE RATES	AVERAGE NOON SPOT RATE			
US Dollar	1.0486	1.0628	1.0242	1.0592
Japanese Yen	0.0096	0.0097	0.0095	0.0092
UK Pound Sterling	1.9207	1.9770	2.0288	2.1376
European Euro	1.5397	1.5624	1.5935	1.4484

FORECASTS

	Real GDP		Unemployment Rate		Consumer Price Index	
	2008	2009	2008	2009	2008	2009
	% Change	% Change	%	%	% Change	% Change
BRITISH COLUMBIA						
BC Government (February 2008, Budget)	2.4	2.8	4.7	4.8	1.8	2.1
Credit Union Central BC (August 2008)	1.5	1.8	4.6	4.8	2.2	1.6
Conference Board of Canada (July 18, 2008)	2.2	2.9	4.4	4.2	2.2	2.5
Scotia Bank Group (July 21, 2008)	2.4	2.7	4.4	4.2	-	-
TD Bank (April 16, 2008)	2.2	2.7	4.2	4.9	1.2	1.7
CIBC WM Economics (June 12, 2008)	2.3	2.8	4.5	4.2	2.1	3.4
Global Insight (July 2008)	2.2	2.8	4.3	4.4	2.6	2.3
CANADA						
TD Bank (June 18, 2008)	1.0	1.8	6.1	6.6	2.3	2.1
CIBC WM Economics (July 30, 2008)	1.1	2.1	6.2	6.3	2.9	3.9
Global Insight (August 2008)	1.1	2.3	6.1	6.2	2.0	2.0
UNITED STATES						
TD Bank (June 18, 2008)	1.4	1.2	5.4	6.2	4.2	2.5
CIBC WM Economics (July 30, 2008)	1.5	1.2	5.5	5.6	5.0	4.5
Global Insight (August 2008)	1.6	1.0	5.2	5.9	4.8	2.3

dash (-) indicates not available

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